



About Matthew Crider, J.D.

Matthew Crider formed [Crider Law PC](#) in 1999 so he could help individuals and business owners by providing creative solutions and be their trusted advisor and legal counselor. He serves his clients by listening closely to their goals, dreams and concerns and working with them to develop superior and comprehensive estate and asset protection plans. His estate planning practice focuses on preserving and growing wealth by providing comprehensive, highly personalized estate planning counsel to couples, families, individuals and businesses.

Better Be Careful Where You Die

By Matthew Crider, JD | Family Wealth Protection Attorney

Now that the confusion over the federal estate tax is resolved -- the \$5 million exemption is now permanent -- you may think that's the last you'll have to worry about estate taxes and exemptions.

Wrong.

Each state has its own estate tax laws. So depending on where you live, your estate may not be taxed at all when you die, or a stiff tax may still be pending.

And each state's rules keep changing from year to year, according to an article in [Forbes magazine](#). The article includes a map that shows the rules in each state.

Twenty-one states plus the District of Columbia have their own estate taxes. Some are as high as 16 percent with varying exemption amounts before the tax takes effect.

Some states are upping their exemption amounts. Maine has doubled its exemption from \$1 million to \$2 million.

Others are lowering their exemption amounts. Connecticut is the latest to do this, reducing the amount to be exempt from \$3.5 million to \$2 million.

In general, states in the southeast have no estate taxes. North Carolina is the only one to have such a tax, but there is talk of getting rid of it.

Here in California, we have no estate taxes.

Now, it's unlikely you may want to move in order to avoid paying such a tax, but it isn't out of the question for some people. Those with homes in more than one state may want to find out the rules in each state and decide which one should be their primary residence.

Other than moving, there are a variety of strategies to lessen or avoid state estate taxes. These include setting up one of a variety of types of trusts or outright gifting money.

Your estate planning attorney can advise you of these strategies.